

CIA/OBGI/RP 75-03

Approved For Release 1989/09/27 : CIA-RDP86T00608R000200230003-3

~~CONFIDENTIAL~~--IMPACT OF PARTITION ON THE POPULATION AND ECONOMY
OF CYPRUS

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CIA/OGI RP 75-3
AUGUST 1974

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22 August 1974
OBGI/GD/S
PN 63.2116/2

IMPACT OF PARTITION
ON THE POPULATION AND ECONOMY OF CYPRUS

Introduction

This paper assesses the impact of permanent Turkish control of the northern part of Cyprus on the population and economy of the island. The data are presented for a partition along the so-called Attila line, as proposed by Turkey in Geneva earlier this month. The line coincides roughly with the 1964 boundary proposed by the Turkish Cypriot Communal Chamber, and runs from Kokkino, in the Northwest, via Xerarkaka (south of Lefka), Akaki, Nicosia, Angastina and Prestio, to Famagusta in the East.

Summary

Partition would bring drastic changes to the population patterns and economy of the island. The impact on the Greek Cypriot community would be particularly adverse. The area north of the Attila line is approximately 1170 square miles, roughly one-third of the area of Cyprus. It includes a principal copper mining region in the Morphiou Bay area, many of the best tourist resorts of the island, the whole of the highly-developed agricultural Morphou plain, all of the perennial springs in the Kyrenia mountain range (three of which are located near Kythrea and Lathos and according to Greek claims -- are the best on the island), most of the irrigated plain of Eastern Messaoria, large

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areas of citrus groves in the Serrakhis river valley and west of the walled town of Famagusta, large forest areas in the Kyrenia Range, and Famagusta itself, the ~~third~~ largest port. The Greek controlled area, although retaining a sizeable portion of the fertile Messaorian plain, will contain a high proportion of uncultivable mountainous and forested terrain (the Troodos Mountain Complex).

Partition Impact on the Population

Partition of the island and the anticipated segregation of Greek Cypriots and Turkish Cypriots into separate areas would require moving a considerable part of the population. Based on 1972 population estimates, this would amount to moving into the northern area some 51,800 Turks (44.6% of total Turkish Cypriot population), and moving out of this area some 147,500 Greeks (29.3% of total Greek Cypriot population). Such movements would involve shifting some 39,800 families and would significantly alter the population density in each of the ethnic areas. According to Greek claims, the density of population in the Turkish-held area would drop from 185 to 76.9 persons per square mile, while that of the Greek area would rise from 181 to 202.6 persons per square mile.

Table 1. Population Profile of Cyprus*

Overall Population:	1972	
Greek	503,100	(78%)
Turkish	116,100	(18%)
Armenians, Maronites, British and misc.	25,800	(4%)
	<u>645,000</u>	<u>(100%)</u>
Average population density	181 per sq. mile	
Population of Area North of the Attila lines:		
Greek	147,500	(67.7%)
Turkish	64,300	(29.5%)
Others	6,000	(2.8%)
	<u>217,800</u>	<u>(100.0%)</u>

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Table 1 continued

Population of Important Urban Centers in the Northern Area:

Morphou	:	7,480	(120 Turks, 7,360 Greeks)
Kyrenia	:	4,183	(1,383 Turks, 2,800 Greeks)
Lefka	:	5,400	(Turks, no Greeks)
Famagusta:		39,400	(6,900 Turks, 27,700 Greeks, 4,800 others)
Nicosia	:		
Turkish Sector		27,400	
Greek Sector		72,600	Greeks
		10,500	others
Total		110,500	

* Based on 1972 estimates and data of the last detailed census (1960).

Partition Impact on Land Ownership

Partition would necessitate some compensation for Greek privately owned lands in Northern Cyprus, as well as land exchange. The Greeks own more land in the north than Turks own in the south. Turkish views on land ownership differed widely from that of the Greek-oriented government of Archbishop Makarios. According to Makarios, the Turkish community owned only about 16 percent of land in Cyprus in 1964, a claim which differed sharply with data contained in the 1960 Census of Population and Agriculture, which shows 20.4 percent of the total agricultural land in Turkish hands. The Turkish Communal Chamber in Nicosia, on the other hand, places Turkish ownership of arable land at 30 percent. It contends that Greek officials in the 1960 Census deliberately underestimated the area of agricultural land by some 33,060 acres in order to under-reflect Turkish owned land. Turkish officials also maintain that the census was taken on the basis of race of the then tenant-farmer, and not of ownership of the land. Thus, much of Turkish-owned land leased to Greek farmers was allegedly reflected as Greek holding.

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According to Turkish views (expressed in 1964), the exchange of land would not alter the 3:7 Turkish-to-Greek proportion of land ownership and the amount of compensation to Greeks would be very small for the following reasons:

"(1) [the amount of] Turkish-owned land in the northern part of the Island (i.e. Lefka and Tylliria areas, northeastern part of Famagusta district, and the northeastern part of Nicosia district) is high compared to Greek-owned land:

(2) in the Karpas peninsula there are about 49,500 acres of state-owned minor forests, and a considerable part of the Tylliria region and the Kyrenia district is occupied by state main forests;

(3) ... there is more or less sufficient Turkish-owned land in the South to offset the land which Greek farmers will relinquish in the north; and

(4) the Turkish lands in the South are situated in the most fertile valleys in the Island and moreover have abundant perennial irrigation and much potential underground water resources."

Partition Impact on the Economy

Agriculture

Cyprus is basically an agricultural country, in which about 47% of the land is cultivated. It is estimated that approximately 36% of the economically active population is engaged in farming and other agricultural activities and that 50% of the total population depends at least in part on incomes derived from agriculture. The broad and fertile Messaorian plain, sandwiched between the Kyrenia Mountains to the north and the Troodos Mountains to the south, contains the bulk of the island's cultivable lands. Its principal crops are wheat, barley, vegetables (potatoes), and citrus fruits. Extensive irrigation in the area is required during the summer dry season when rainfall is less than 1 inch per month.

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Partition of the Messaonian plain, commonly referred to as the bread basket of Cyprus, places within Turkish control some 37 percent of all croplands in the area but provides Turkish Cypriots with more than half of the highly valued irrigated crop lands and over half of the areas under wheat cultivation.

In addition, Turks would own two thirds of the best citrus growing areas in Cyprus. These include the orange and grapefruit groves in the Famagusta and Morphou areas and the lemon orchards near Karavas and Lapithos in Kyrenia. Citrus fruits represent Cyprus' most important export, valued at US \$17.3 million in 1970. Turkish controlled Cyprus also includes the second best potato growing region on the island (the area extending along the Nicosia-Morphou road), and approximately half of the carob and olive producing areas. The value of potato exports -- mostly to the United Kingdom -- reached almost US \$16 million in 1970 compared with less than \$5 million in 1960.

The area of cultivable croplands in the Messaorian plain that is now under control of each group is shown in Table 2.

Forestry.

Cyprus' timber resources provide only 30% of the island's timber requirements. The northern area contains some 197 square miles of timber, or about 29.4% of all state and privately-owned forests; it produces roughly one-third of the island's timber output. Forest divisions included in the Turkish area are:

<u>Forests</u>	<u>Area (Square miles)</u>
Korno-Kyparissovouno and Buffavento Group	18.22
Patho Group	10.00
Halevga and Koronia Group	41.55
Akradhes Group	16.01
Apostolos Andreas Group	20.45
Salamis Group	2.24
Kormakiti-Ayia Irini Group	20.12
Minor and Private Forests	68.38

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PARTITION OF MESSAORIA

Table 2*

Overall Crop Lands	Irrigated Crop Lands	Area Under Barley Cultivation	Area Under Wheat Cultivation
456 sq. mi. (37.7%)	184 sq. mi. (50.3%)	57,812 acres (45%)	43,045 acres (62%)
692 sq. mi. (57.5%)	168 sq. mi. (46%)	56,527 (44%)	23,049 acres (33.2%)
56 sq. mi. (4.8%)	14 sq. mi. (3.7%)	14,131 (11%)	3,332 acres (4.8%)
1204 sq. mi. (100%)	366 sq. mi. (100%)	128,470 acres (100%)	69,426 acres (100%)

*Data compiled from a 1955 British published land utilization map of Cyprus, and from a 1967 Cypriot directory on Commerce, Industry, Tourism and Agriculture.

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Mining

Turkey's occupation of the Morphou Bay area brings within its control the U.S.-owned Cyprus Mines Corporation (CMC), the island's largest copper producing company. The CMC extracts copper mainly from open pit operations at Apliki and Skouriotissa and the Mavrovouni underground mine. Its copper mine output in 1970 totalled some 18,000 metric tons, a considerable drop from its high of 32,000 metric tons in 1960, and it will undoubtedly decline further unless additional capital equipment is invested. Greek-controlled territory will retain important copper mines at Limni in the northwestern part of the island (owned by the Cyprus Sulphur and Copper Co. Ltd), and the Kalavassos mines northeast of Limassol (owned by the Hellenic Mining Co. Ltd.) Their total export of copper concentrates reached some 45,000 tons in 1968. Greeks will also retain control of all iron pyrites, asbestos, and chrome mining operations concentrated in the Troodos mountains region. Export figures for 1968 place iron pyrites at 798,990 tons, asbestos at 17,700 tons, and chromite at 23,591 tons.

Industry

In the long run, this branch of the economy will be least affected by partition of the island. Apart from the mines, there is no heavy industry in Cyprus. manufacturing is limited mainly to light industries engaged in processing local products, both for home consumption and export, such as the wineries and the carob processing plants. Light industry is concentrated mainly around the capital city of Nicosia and in the main port cities of Limassol, Famagusta, and Larnaca. Most of the industry is in the Greek-controlled area.

Tourism

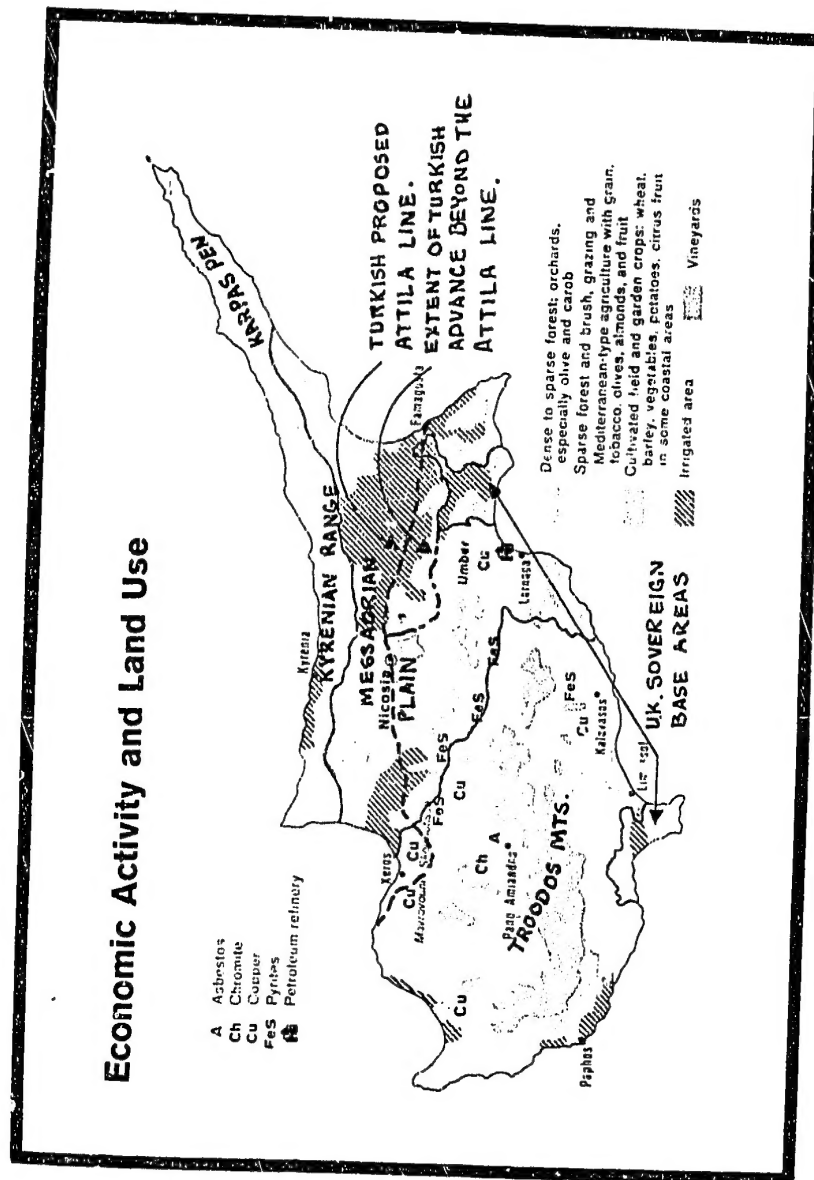
Greek-controlled Cyprus would retain many of the tourist and ski attractions, particularly in the Troodos mountains (Platres, Prodhromos, Troodos, Moutoullas, etc) and along the beaches of the southern and western coastal lowlands. Assuming that the city of Famagusta would be divided, coastal resorts in suburban Varosha

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would remain in Greek Cypriot hands. Tourism normally concentrated in Kyrenia and the northern coastal resorts will fall into Turkish hands. Loss of Kyrenia tourist trade is particularly distressing to Greek Cypriots because of its flourishing, Greek-owned luxury hotel business. Kyrenia and Famagusta (both in the Turkish area) and Nicosia together accounted for 82% of the tourist night accommodations in 1970.

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